

WILLMAR CITY COUNCIL PROCEEDINGS
BOARD ROOM
HEALTH AND HUMAN SERVICES BUILDING
WILLMAR, MINNESOTA

May 6, 2019
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Marv Calvin. Members present on a roll call were Mayor Marv Calvin, Council Members Rick Fagerlie, Shawn Mueske, Kathy Schwantes, Vicki Davis, Fernando Alvarado, Julie Asmus, Andrew Plowman, and Audrey Nelsen. Present 9, Absent 0.

Also present were City Administrator Ike Holland, Police Sergeant Vince King, Public Works Director Sean Christensen, Park and Recreation Director Rob Baumgarn, Fire Chief Frank Hanson, Planning and Development Services Director David Ramstad, City Planner Sarah Swedburg, Administrative Assistant Janell Sommers, and City Attorney Robert Scott.

Proposed additions or deletions to the agenda included: Mayor Calvin asked that Item 16 – Consideration of City Hall Site Options and Item 17 – Mayor Calvin on Replacement of EDC Joint Powers Board Member be switched on the agenda this evening.

Council Member Mueske moved to approve the agenda, as amended. Council Member Asmus seconded the motion which carried.

Administrative Assistant Janell Sommers reviewed the consent agenda.

- A. City Council Minutes of April 15, 2019
- B. City Council Special Meeting Minutes of April 29, 2019
- C. Willmar Municipal Utilities Board Minutes of April 22, 2019
- D. Planning Commission Minutes of April 17, 2019
- E. **Resolution No. 19-067 Declaring Surplus Equipment and Authorizing Sale at Public Auction**
- F. Accounts Payable Report April 11 through May 1, 2019
- G. Willmar Lakes Area CVB Board Minutes of March 19, 2019
- H. Human Rights Commission Minutes of March 19, 2019
- I. Willmar Parks and Recreation Board Minutes of April 17, 2019
- J. Building Report for the Month of April, 2019
- K. City Hall Task Force Meeting Summary of April 9, 2019
- L. Invest in Willmar Board Meeting Summary of April 10, 2019
- M. Application for Temporary Position on Airport Commission – Dan Reigstad
- N. Year-to-Date Indoor Range Report for 2019

Council Member Fagerlie offered a motion to approve the Consent Agenda. Council Member Plowman seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Blue Cross and Blue Shield of Minnesota representative Wendy Foley and Healthy Together Willmar Community Table representative Arfon Mohamud gave a presentation on Healthy Together Willmar. Since the inception of Healthy Together Willmar in 2016, the core stakeholders heard specifically the need for diverse leadership development, more responsive care, and support for existing work. The organization continues to center their work around the core values that have been identified by Willmar residents related to how we connect and engage with each other, particularly across difference. Ms. Foley and Ms. Mohamud identified some of the activities currently going on in the community and urged everyone to continue participating in the event.

Mayor Calvin thanked them for the presentation and their work involved in Healthy Together Willmar.

At 7:21 p.m. Mayor Calvin opened the public hearing for tax abatement request by AEHM, LLC. Mr. Gabe Olson, representing AEHM, LLC. , stated they had purchased the Sunwood Apartment Complex and plan to build an additional 24-unit building in addition to improvements of the interior and exterior on the existing two buildings (12 units each). AEHM, LLC.'s request for tax abatement is for 10 years at 90% of the increased tax base and states that the project cannot support itself without tax abatement from the City.

There being no one to speak for or against the proposed tax abatement request, Mayor Calvin closed the hearing at 7:25 p.m. and opened it up for discussion by the Council.

Following discussion, **Resolution No. 19-068 Approving Property Tax Abatement** was introduced by Council Member Fagerlie. Council Member Schwantes seconded the motion, which carried on a roll call vote of Ayes 6, Noes 2. Council Members Davis and Alvarado voted "no".

Dirk Meuleners, Spicer, addressed the Mayor and Council during the Open Forum. Mr. Meuleners spoke in regard to the current site locations for the new city hall and his concerns with said locations.

Stephen Deleski, Willmar, addressed the Mayor and Council during the Open Forum. Mr. Deleski spoke in regard to the needs for a new city hall.

John Harren, Willmar, addressed the Mayor and Council during the Open Forum. Mr. Harren spoke as a member of Vision 2040, and invited everyone to attend a presentation "13 Ways to Kill Your Community" being held May 16, 2019 from 12:00 noon to 1:30 p.m. at the Willmar Conference Center and from 6:30 p.m. to 8:00 p.m. at the Little Crow Golf Course.

Jerry Gesch, Willmar, addressed the Mayor and Council during the Open Forum. Mr. Gesch stated he is so proud to be a citizen of Willmar. He also spoke about the limited growth of the community and the options available downtown for a new city hall, and urged the Council to listen to the community and explore other options available.

Bob Enos, Willmar, addressed the Mayor and Council during the Open Forum. Mr. Enos spoke regarding the need for a new city hall.

Bolton and Menk Design Manager Aaron Warford and MnDOT Project Manager Paul Rasmussen presented information regarding the proposed intersection design in the Willmar Wye Highway 12 realignment in conjunction with the roundabouts. At this time they were asking for Council's consent to the proposed design.

Following discussion, Council Member Nelsen offered a motion to approve the design as presented. Council Member Plowman seconded the motion which carried.

Parks and Recreation Director Rob Baumgarn and Engan Associates Architect Richard Engan presented updated information on "Plan E", as requested by Council, of the four season shelter being proposed for Robbins Island.

Following discussion, Council Member Asmus offered a motion to approve "Plan E", and direct staff to prepare bid documents. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 7, Noes 1. Council Member Schwantes voted "no".

Mayor Calvin recessed the meeting at 8:52 p.m.

Mayor Calvin reconvened the meeting at 9:00 p.m.

Council Member Plowman read a proclamation, on behalf of the Mayor, declaring Public Works Week May 19 – 25, 2019, and noted 2019 marks the 59th Annual National Public Works Week sponsored by the American Public Works Association/Canadian Public Works Association.

The Finance Committee Report for April 18, 2019 was presented to the Mayor and Council by Council Member Nelsen. There were seven items for consideration.

Item No. 1 The Committee reviewed information about the Preservation Alliance of Minnesota/MN Main Street Mini-Grant Program. Willmar Main Street submitted an application for \$6,000 (maximum allowed) to help fund the Retail Business Design Workshops. These workshops were a large partnership between the UMN Extension, College of Design, Kandiyohi & Willmar EDC, Willmar Area Foundation, United Way, and several other area partners. Twenty local businesses participated in the workshops: one-half of which were from Willmar, three-fourths were women-owned, and 20% were diverse businesses (all from downtown). The organization received outstanding feedback from participants, both about main street's content from industry mentors on topics such as target marketing, inventory management, and social media, as well as accountability and networking among each other during the coaching sessions. This is the first program of its kind in Minnesota.

There were two actions requested from the Committee. The first was to accept the Grant funding of \$4,200, and the second was to adopt the Main Street Budget as revised.

Council Member Nelsen introduced **Resolution No. 19-069 Accepting the Grant from MN Main Street in the Amount of \$4,200**. Council Member Alvarado seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Council Member Nelsen introduced **Resolution No. 19-070 Adopting the 2019 Preliminary Main Street Budget, As Revised, in the Amount of \$56,700.00**. Council Member Asmus seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Item No. 2 Staff explained that the Mayor, City Administrator, and Finance Director will be meeting to set the 2020 Budget Calendar. The Committee reviewed the 2019 Budget Calendar as it was adopted last year. This item was for information only.

Item No. 3 Staff explained that Springsted, Inc., and had completed their analysis of wastewater utility rates for the City's sewage treatment plant. Based on various assumptions, the financial projections indicate no rate increases are needed in 2019 through 2021. The City can alternatively plan to refinance the ballooned maturities in 2025 through 2029 or increase rates 2.5% annually beginning in 2022 to maintain coverage levels and address the debt service increases that begin in 2025. This item was for information only,

Item No. 4 A brief discussion was held on the 1st Quarter Investments and Departmental Budgets. Presentations will be scheduled to be reviewed at future Council meetings. Since the Finance Director will be absent from the May 6th meeting, this will start with the second Quarter report in July. This item was for information only.

Item No. 5 Staff explained that the preliminary 2018 year-end excess for the General Fund was approximately \$870,000. Finance Director Okins also explained how it actually takes three different levels of processing to finalize the numbers, those being the Pre-Audit, Internal Audit and the External Independent Audit. The Committee will review this again at the time of the completion of the External Audit. This item was for information only.

Item No. 6 Due to time constraints of this meeting, the remaining items will be placed on future meeting agendas: Purchasing Policy Review; Tax Abatement/Tax Increment; Deferred/Suspense and Agriculture Assessments; Review Meeting Schedule (Information). This item was for information only.

Item No. 7 The Committee then reviewed the Future Meeting Schedule, and tentatively set the next meeting for May 16th. This item was for information only.

The Finance Committee Report of April 18, 2019, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Nelsen. Council Member Asmus seconded the motion, and carried.

Council Member Mueske presented information in regard to a settlement and release agreement between the City and former employee Bruce Peterson. He indicated the contents of the agreement are confidential until all signatures are obtained.

Resolution No. 19-071 Resolution Approving Settlement and Release Agreement Between City of Willmar and Bruce Peterson was introduced by Council Member Mueske. Council Member Schwantes seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Mayor Calvin stated he had received a resignation letter from Economic Development Commission (EDC) Joint Powers Board by Council Member Plowman. Council Member Plowman stated due to other commitments, he is no longer able to serve on the board. Mayor Calvin is requesting Council to consider a replacement for the board and this item will be placed on the May 20, 2019 Council agenda for formal action.

Council Member Nelsen was excused from the meeting at 9:11 p.m.

Council Member Schwantes stated a City Hall Task Force was formed by the Council on January 22, 2019 and has been meeting to discuss site selection for construction of a new city hall. From recent meetings the site has been narrowed down from six sites to three site concepts for the Council's consideration this evening. Site concept one is to remodel the current city hall building. Site concept two is to demolish the current city hall building and construct a new city hall possibly connecting with the city auditorium. Site concept three is to consider vacant land on Block 25 for construction of a new city hall.

Following a lengthy discussion, Council Member Schwantes introduced **Resolution No. 19-072 A Resolution by the Mayor and City Council of the City of Willmar, Minnesota Authorizing Negotiations and Preparations for the City's Acquisition Certain Real Property in the City for the Construction of a New City Hall**. Council Member Asmus seconded the motion.

City Attorney Robert Scott clarified the various sections of the proposed resolution.

Following further discussion, Council Member Plowman offered a friendly amendment to the motion to direct staff to further explore the Wodash property at the same time as the Nelsen property and perform soil samples on the properties. Council Member Davis seconded the motion, which carried on a roll call vote of Ayes 7, Noes 1. Council Member Fagerlie voted "no".

The original motion and resolution then carried on a roll call vote of Ayes 7, Noes 1. Council Member Fagerlie voted "no".

City Administrator offered the following comments: May 17th is the Mayor's Bike Ride and Block Party downtown; Saturday, May 18th the Lions Club will be hosting an event at the Dog Park; Thursday, May 23rd during Public Works Week there will be an open house at the Public Works garage; YMCA is hosting the 5K Run on May 25th.

Mayor Calvin offered the following comments: we recently received the \$750,000 DEED grant for downtown improvements that we had applied for; commended staff for all their hard work on the grant application; urged everyone to attend the "13 Ways to Kill Your Community" presentations on May 16th; Mayor's Bike Ride is May 17th; Ridgewater College graduation is May 17th; his wife informed him she heard on the radio there was a law suit filed against him – he had no knowledge of this as he had not been formally served or heard anything from the City Attorney;

Council Member Fagerlie offered the following comments: Community Development Committee meets on Monday, May 13th, and one of the agenda items is flood insurance.

Council Member Schwantes offered the following comments: wanted to thank the Council for making a decision tonight and thanked the task force for all the work they put into the city hall project, and she is excited for the next phase in the process; the storm water subcommittee for the local option sales tax met and agreed to do a tour of Willmar and talk about the watershed and different points of interest regarding storm water so they have a good understanding of storm water, and extended an invite to Council to join on the tour which will be on Tuesday, May 28th from 8:00 a.m. to 10:00 a.m. and will meet at the Goodness in downtown Willmar.

Council Member Alvarado offered the following comments: appreciates the decisions made tonight; "Hats Off" to Council Member Schwantes on a super job.

Council Member Asmus offered the following comments: the Mayor's Prayer Breakfast held recently was a huge success, and thanked the Mayor and his committee for putting together such a wonderful event; her family attended the Cinco de Mayo event held on Sunday at the Community Center – lots of great food and fun events and thanked everyone for putting this event together.

Council Member Fagerlie offered a motion to adjourn the meeting with Council Member Asmus seconding the motion which carried. The meeting adjourned at 10:20 p.m.

s/s Marv Calvin
MAYOR

Attest:

s/s Judy Thompson
SECRETARY TO THE COUNCIL

RESOLUTION NO. 19-067

A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLMAR, MINNESOTA DECLARING SURPLUS SUPPLIES, MATERIALS, AND EQUIPMENT AND AUTHORIZING THE SALE THEREOF

Motion By: Fagerlie

Second By: Plowman

WHEREAS, the City of Willmar ("City") is permitted to sell City-owned surplus supplies, materials, and equipment pursuant to Minnesota Statutes Section 471.345, subdivision 17; and

WHEREAS, the City has determined that it owns a surplus of supplies, materials, and equipment, as specified in Exhibit A, which is attached and incorporated herein; and

WHEREAS, the City wishes to hold a public auction on May 15, 2019 ("Public Auction") at which the surplus supplies, materials, and equipment may be sold.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that:

1. The City Council finds and declares that all surplus supplies, materials, and equipment listed in Exhibit A is City-owned surplus supplies, materials, and equipment and is authorized to be sold at the Public Auction.

Adopted by the City Council of the City of Willmar on May 6, 2019.

Approved:

s/s Marv Calvin

Mayor

Attested:

s/s Judy Thompson

City Clerk

EXHIBIT A

2019 City Auction Items

Waste Water Treatment Facility

12KW 120/208 3Phase generator on Trailer – Needs electrical Hookup
(5) 12vdc Beacon Lights
(2) metal Desks
10 ton NAPA floor Jack

Planning & Development Services

Wood Desk
Wood Bookshelf -2 shelf
Blue Office Chair

Finance

150 3-Ring Binders

Public Works

Air Compressor

Information Technology

Metal Desk and Return

Engineering

3 Drawer Cabinet
Desk Shelf
Guest Chair

Police Department

Year	Make	Style	License Number	Serial Number
1996	Jeep	Grand Cherokee	856UMM	1J4EZ58S9TC111335
2009	Saturn	Aura	210VKZ	1G8ZX57739F119703
2000	Dodge	Stratus	750NBA	1B3EJ46X0YN264995
1990	Honda	Civic	62ACX7	1HGED3558LA093947
1995	GMC	Yukon	766NBC	1GKEK18K2RJ766397
2000	Pontiac	Grand Prix	736WTG	1G2WP52K3YF329306
1988	Buick	Electra 225	270XLY	1G4CW51C7J1628145
Ford	Ford	Taurus	987XAT	1FAFP53U77A157259

2005	Pontiac	Grand Am	594JDX	1G2NE52E35M145650
2001	Plymouth	Neon	693VKZ	1P3AS46C51D124797
2005	Nissan	Altima	826MUW	1N4AL11D25C952853
2002	Pontiac	Grand AM	063UMN	1G2NW12E92C227289
2004	Chev	Malibu	456XVE	1G1ZT52894F121068
2002	Chevrolet	Tahoe	323JDT	1GNEK13Z92J231225
1999	Ford	EPD	919NLN	1FMPU18LXXLC51300
2005	Volkswagon	New Jetta	823KWP	3VWRF71K65M607116
1999	Jeep	Grand Cherokee	855RCD	1J4GW58S7XC751034
1997	Toyota	Camry	ACM5597	4T1BG22K6VU144808
2001	Olds	Aurora	520WMP	1G3GS64C714231004
2003	Olds	Silhouette	430VKZ	1GHDX13E53D133760
	Skamper	5th Wheel Camper	RL64050	
1995	Mazda	626	966PVZ	1YVGE22C2S5308466
2003	Chrysler	PT Cruiser	344WNT	3C4FY58B73T500671
2004	Mazda	MZ3	792HHM	JM1BK32F241217541
1999	Honda	Civic	530MBW	2HGEJ6611XH579819
1995	Buick	LeSabre	773EPT	1G4HP52L3SH525024
	Honda	Scooter	MP84926	JH2AF0605HS304202
1997	Buick	Lesabre	625VKZ	1G4HP52K0VH545324
1997	Chev	Blazer	666DYR	1GNDT13W9V2136483
1997	Jeep	Grand Cherokee	934NBC	1J4GZ58S4VC630353
1998	Dodge	Stratus	3G0794	1B3EJ56X7WN315220
2001	Pontiac	Bonneville	205GGK	1G2HX54K614195155
2000	Chev	Blazer	811JUV	1GNDT13W1Y2215974
1997	Toyota	Corolla	025LHA	1NXBB02EXVZ624637
2002	Chrysler	Newport	168RPP	2C3AE76KX2H199715
2000	Dodge	Neon	079LLP	1B3ES46C7YD521618
2001	Chev	Impala	161LLK	2G1WF52E119202862
1999	Jeep	Grand Cherokee	495UMM	1J4GW58S5XC709252
1999	Chevrolet	Blazer	599LER	1GNDT13W3X2175170
2008	Chua	Motorcycle	22970MG	LFGTCKPXX71001339
2002	Mazda	TRB	556UKJ	4F2YU09142KM49028
1997	Oldsmobile	Bravada	256WAM	1GHDT13W7V2719802
1995	Pontiac	Grand Am	212WAM	1G2NE55M7SM596854
2001	Toyota	Corolla	782PAR	1NXBR12E11Z424709
2009	Chevrolet	Aveo	735XVC	KL1TD56E19B309681
1999	Nissan	Quest	887LAA	4N2XN11T1XD823048
2002	Dodge	Caravan	870XVG	1B8GP44382B568022
2001	Chev	S10	566RKJ	1GCDT13W81K219695
2000	Chev	Silverado	443MKU	2GCEK19T5Y1174665
2000	Volkswagon	Jetta	908PKU	3VWTE29MXYM149487

2004	Chrysler	Concord	384KEE	2C3AD56G04H686766
1996	Chev	S10	627NBB	1GCDT19W2T8144449
2001	Jaguar	S-Type	916PXY	SAJDA01N81FM03149
2001	Olds	Alero	347VKY	1G3NL52E41C211432
2002	Nissan	Altima	209WTE	1N4AL11EX2C260540
2001	Mazda	626	683PAN	1YVGF22C115227907
1984	Datsun	720	518KBJ	JN6ND06Y0EW006194
2003	Chev	Venture	359WWA	1GNDX03EX3D270152
	Ford	Expedition		1FMPU17575LA30379
2007	Pontiac	G6	030VKV	1G2ZH58N774237265
1998	Toyota	Corolla	456VLA	1NXBR18E7WZ001227
1988	Chev	Nova	897UAT	1Y1SK514XJZ100844
2005	Ford	Escape	292MKV	1FMYU94185KA69136
1994	Buick	Century	356RBB	1G4AG5543R6478914
2001	Ford	Windstar	842VKZ	2FMDA56401BA84628
2001	Ford	Mustang	780XKT	1FAFP40431F223198
2003	Ford	Taurus	141LKB	1FAFP53U43G255320
2000	Chev	Impala	020VHC	2G1WH55KXY9324853
2002	Mitsubishi	Eclipse	589TLG	4A3AC54H42E033482
1996	Chevy	Cavalier	18884	1G1JC1241T7119424
2003	Nissan	Pathfinder	163MBZ	JN8DR09Y53W817230
2001	Toyota	Camry	393TLH	4T1BG22K91U764756
1995	Chevrolet	Tahoe	(No Plt)	1GNEK13K6SJ395146
1998	Chev	Suburban	377JDV	1GCEK19R3WE157931
1995	Honda	Passenger	AJ60049	JHMCD5632SC000873
2003	Nissan	Maxima	385VKY	JN1DA31A43T414167
2006	Ford	Focus	262LKZ	1FAFP37N56W166793
1994	Nissan	Altima	290WTH	1N4BU31D7RC137454
1999	Ford	Taurus	600KRB	1FAFP53U7XG143472
1988	Ford	Ranger	992NBB	1FTBR10A2JUD05510
2005	Buick	Rendezvous	2DE801	3G5DB03765S545857
2006	Chev	Malibu	641KHM	1G1ZT61896F303248
1999	Honda	Accord	816LLN	1HGCG1653XA051192
1996	Honda	Accord	142TDU	1HGCD5655TA283898
1970	Nomad	Camper / Trailer	RU86621	N0913193D
2001	Pontiac	Grand Am	599RLR	1G2NW12EX1M624826
2003	Chev	Impala	520JNM	2G1WF52E639299639
2007	Saturn	Aura	531RBD	1G8ZS57NX7F151414
2000	Pontiac	Grand Prix	079NBU	1G2WP52K5YF166755
1999	Ford	Expedition	789KMA	1FMRU1867XLA61585
2001	Pontiac	Bonneville	915RBD	1G2HX54K614147493
2003	KIA	Sedona	249UMN	KNDUP131436423821

2004	Chev	Trailblazer	456TLH	1GNDT13S242415334
1999	Lexus	RX 300	BNE450	JT6HF10U5X0088748
2005	Chev	Malibu	885GEL	1G1ZT52845F118080
1999	Ford	Contour	126VKZ	1FAFP6535XK198056
2000	Honda	Accord	293MYB	1HGGG565XYA030235
2008	Nissan	Altima	432WAX	1N4AL21EX8N412691
1999	Ford	Explorer	634KYL	1FMZU35P9XZA05685
2000	Cadillac	Escalade	041WAM	1GYEK63R5YR223066
2003	Chevrolet	Blazer	982NBB	1GNET16S936150421
1998	Dodge	Caravan	825VLA	1B4GP54G6WB627455
1998	Honda	Civic	799RBC	1HGEJ657XWL039926
1992	Ford	F150	125XYR	1FTEX15N2NKA17907
1995	Olds	Achieva	960RYN	1G3NL55M2SM309423
2005	Audi	S4	(NONE)	WAUPL68E25A050857
1996	Toyota	Corolla	833JXE	JT2EB02E7T0106662
1999	Chevrolet	Silverado	329PAR	2GCEK19T9X1144261
2006	Chrysler	Town & Country	064LNZ	2A4GP54L06R729006
2003	Buick	Rendezvous	BND600	3G5DA03E33S588874
2002	Chrysler	300	ADN780	2C3AE66G12H119062
2003	Olds	Alero	AUY130	1G3NL52F23C170147
2000	Honda	Civic	600JZZ	2HGEJ6619YH579567
1997	Honda	Civic	468UNC	JHMEJ6578VS018266
2012	Dodge	Caravan		2C4RDGAG2CR248728

RESOLUTION NO. 19-068

RESOLUTION APPROVING PROPERTY TAX ABATEMENT

Motion By: Fagerlie

Second By: Schwantes

BE IT RESOLVED by the City Council (the "Council") of the City of Willmar, Minnesota (the "City"), as follows:

1. Recitals.

- a. AEHM, LLC (the "Developer") proposes to develop an additional 24 unit apartment building existing on Developer's real property located at 2609 15th Avenue Northwest (parcel number 95-135-1140, the "Development Property") in the City, (the "Project"). The developer has requested that the City provide financial assistance to the Developer for the project. The City proposes to use tax abatement for the purposes provided for in the Abatement Law (and hereinafter defined), including the Project. The proposed term of the abatement will be for a term not to exceed ten years in a total amount not to exceed \$87,000. The abatement will apply to the City's share of ad valorem property taxes on the Development Property derived from the value of the Project and paid by the Developer (the "Abatement").
- b. On May 6, 2019 the Council held a public hearing on the question of the Abatement, with proper notice being duly given.

- c. The Abatement is authorized under Minnesota Statutes, Section 469.1812 through 469.1815 (the "Abatement Law").

2. Findings for the Abatement. The City Council hereby makes the following findings:

- a. The Council expects the benefits to the City of the Abatement to at least equal or exceed the costs to the City thereof.
- b. Granting the Abatement is in the public interest because it will increase or preserve the tax base of the City, help provide a variety of housing ownership alternatives and housing choices, and help redevelop or renew blighted areas.
- c. The Property is not located in a tax increment financing district.
- d. In any year, the total amount of property taxes abated by the City by this and other resolutions, if any, does not exceed greater of ten percent (10%) of the current levy or \$200,000.

3. Terms of Abatement. The Abatement is hereby approved; provided, however, this approval is contingent upon the approval by Kandiyohi County of an abatement program for the Project upon the same terms as set forth below for the County's share of property tax amount which the County receives from the Property. The terms of the Abatement are as follows:

- a. The Abatement shall be for ten (10) years and shall apply to the taxes payable in the years 2020 through 2030 inclusive.
- b. The City will abate the portion of the City's share of ad valorem property taxes on the Development Property paid by the Developer, beginning with taxes payable in 2020 and continuing through taxes payable in 2030, as follows:
 - 1. The lesser of \$8,700 per year or the actual City portion of real estate taxes.
- c. The Abatement shall be subject to all the terms and limitation of the Abatement Law, as well as that certain Tax Abatement Agreement between the Developer and the City approved by the City on even date herewith setting forth the rights and obligations of the parties with respect to the Abatement in greater detail.
- d. The Abatement may not be modified or changed during its term.

Dated this 6th day of May, 2019.

s/s Marv Calvin
Mayor

Attest:

s/s Judy Thompson
City Clerk

RESOLUTION NO. 19-069

AUTHORIZATION TO ACCEPT THE MINNESOTA MAIN STREET MINI-GRANT

Motion By: Nelsen

Second By: Alvarado

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that City Staff be authorized to accept the awarded MN Main Street Mini-Grant in the amount of \$4,200.00.

Dated this 6th day of May, 2019.

s/s Marv Calvin

MAYOR

Attest:

s/s Judy Thompson

CITY CLERK

RESOLUTION NO. 19-070
2019 PRELIMINARY MAIN STREET BUDGET
TOTAL COST \$56,700

*Budget Amounts are Essential

Motion By: Nelsen

Second By: Asmus

Code

PERSONNEL SERVICES

10* Salaries Reg. Employees
11* Overtime Reg. Employees
12* Salaries Temp. Employees
13* Employer Pension Contr.
14* Employer Ins. Contr.

TOTAL **\$0.00**

SUPPLIES

20* Office Supplies \$500.00
21* Small Tools
22* Motor Fuels & Lubricants
23* Postage \$1,000.00
24 Mtce. of Equipment
25 Mtce. of Structures
26 Mtce. of Other

Improvements

27 Subsistence of Persons
28 Cleaning & Waste Removal
29* General Supplies \$15,000.00
TOTAL **\$16,500.00**

OTHER SERVICES

30 Communications \$9,000.00
31* Printing & Publishing \$1,500.00
\$1,200.00
32 Utilities

RECEIVABLES

Property Owners
County
State
City
City
City
Other

\$32,500.00

~~\$24,500.00~~ \$24,200.00

TOTAL

\$56,700.00

FINANCING

Bonds
State
City
City
Other

TOTAL

\$0.00

GRAND TOTAL

\$56,700.00

Dated this 6th day of May, 2019

33* Travel-Conf.-Schools	\$4,770.00	
34 Mtce. of Equipment		<u>s/s Marv Calvin</u>
35 Mtce. of Structures		Mayor
36* Mtce. of Other Impr.		
37 Subsistence of Persons		Attest:
38 Cleaning & Waste Removal		
39* Other Services	\$6,555.00	
	\$6,155.00	
TOTAL	\$21,125.00	<u>s/s Judy Thompson</u>
		City Clerk
OTHER CHARGES		
40 Rents	\$400.00	
41 Insurance & Bonds		
42 Awards & Indemnities	\$15,000.00	
43	\$3,675.00	
Subscriptions/Memberships		
44 Interest		
45 Licenses & Taxes		
46* Prof. Serv.		
47 Advertising		
48 Admin OH (Transfer)		
49 Other Charges		
TOTAL	\$19,075.00	
GRAND TOTAL	\$56,700.00	

RESOLUTION NO. 19-071

RESOLUTION APPROVING SETTLEMENT AND RELEASE AGREEMENT BETWEEN CITY OF WILLMAR AND BRUCE PETERSON

Motion By: Mueske Second By: Schwantes

WHEREAS, Bruce Peterson was employed by the City as Planning and Development Director until January 31, 2019 - the date he retired from employment with the City;

WHEREAS, Bruce Peterson asserted that the amounts he was paid for salary and cash out of his accumulated sick leave and vacation in 2019 were less than he requested and confirmed in writing by City management;

WHEREAS, the City asserts that Bruce Peterson was paid the appropriate amounts in 2019 based on its policies;

WHEREAS, Bruce Peterson has threatened to take legal action related such payments; and

WHEREAS, City and Bruce Peterson mutually feel that it is in the best interests of each party that they resolve this matter in accordance with the terms and conditions specified below in this Agreement and avoid the time, expense, effort, and risk of proceeding with any claims Bruce Peterson may attempt to pursue against the City.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Willmar that it:

1. Approve the Settlement and Release Agreement Between City of Willmar and Bruce Peterson

2. Authorize the Mayor and City Administrator to sign and fully execute the Settlement and Release Agreement Between City of Willmar and Bruce Peterson

Dated this 6th day of May, 2019

s/s Marv Calvin
Mayor

Attest:

s/s Judy Thompson
City Clerk

**CITY OF WILLMAR
RESOLUTION NO. 19-072**

**A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLMAR, MINNESOTA
AUTHORIZING NEGOTIATIONS AND PREPARATIONS FOR THE CITY'S ACQUISITION CERTAIN REAL
PROPERTY IN THE CITY FOR THE CONSTRUCTION OF A NEW CITY HALL**

Motion By: Schwantes

Second By: Asmus

WHEREAS, the Willmar City Council ("City Council") formed a City Hall Task Force ("Task Force") for the purpose of researching and evaluating potential sites in the City of Willmar ("City") for the construction of a new city hall pursuant to priorities established by the City Council; and

WHEREAS, the Task Force has identified and considered numerous potential sites for the new city hall and extensively involved the public in its process, having conducted its meetings in public and held public hearings on June 26, 2018 (through a previous task force), April 16, 2019, and May 3, 2019; and

WHEREAS, the Task Force has completed its site selection process and has identified two potential sites for the new city hall that it is recommending as alternatives for final selection by the City Council: the site of the current city hall, which is currently owned by the City and could be either renovated or demolished and replaced with a newly constructed facility, or Block 25 of the Original Town of Willmar between U.S. Highway 12 to the north, Benson Avenue to the south, 2nd Street Southwest to the east, and 3rd Street Southwest to the west ("Block 25"), which is currently mostly vacant, and one-half of which is currently owned by the City; and

WHEREAS, pursuant to sections 1.02 and 4.02, subdivision 8 of the City's Charter, the City has "all the powers, functions, rights and privileges possible for a city to have under the constitution and laws of the State of Minnesota," and specifically may acquire a "City street, park, public grounds, or real estate, ways, streets, alleys or buildings" provided such acquisition is submitted to and approved by the City's Planning Commission; and

WHEREAS, Minnesota Statutes, Section 465.01 grants cities the power to acquire real property through eminent domain "for any purpose for which it is authorized by law to take," subject to the procedure prescribed by Minnesota Statutes, Chapter 117; and

WHEREAS, Council Member Nelsen has disclosed that she has a potential indirect financial interest in several of the non-City owned parcels located on Block 25 as detailed in the City Council's findings below; and

WHEREAS, Section 9.02 of the City’s Charter addresses a council member’s conflict of interest in a contract with the city, in relevant part, as follows:

Section 9.02. - Personal financial interest.

Any . . . Council members . . . who have a substantial financial interest, direct or indirect . . . in any contract with the City or in the sale of any land . . . to the City . . . shall make known that interest and shall refrain from voting upon or otherwise participating in their capacity as a City officer or employee in the making of such sale or in the making of or performance of such contract

; and

WHEREAS, Minn. Stat. § 471.87 generally prohibits “a public officer who is authorized to take part in any manner in making any . . . contract in official capacity” from “voluntarily (having) a personal financial interest in that . . . contract or personally (benefiting) financially therefrom”; and

WHEREAS, Council Member Nelsen has abstained from participation in the City Council’s and Task Force’s site selection processes at all times while Block 25 was under consideration as a potential location for the new city hall; and

WHEREAS, the City Council, after considering the Task Force’s two recommended alternative sites for the new city hall, believes that constructing a new city hall on Block 25 provides the greatest opportunity for the City to meet its evolving needs long into the future at the greatest value to the City’s taxpayers, while redeveloping a strategically important block on the northern boundary of the City’s central business district that will serve as a gateway to downtown from U.S. Highway 12 and provide a catalyst for private redevelopment in this area.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that the City Council makes the following findings and conclusions:

- A. The estate of Norma Nelsen (“estate”) owns a portion of Block 25 (Parcels 95-003-2640, -2650, and -2660, the “estate properties”). Norma Nelsen’s will (“will”) is the subject of a probate action pending in Kandiyohi County District Court.
- B. The estate properties are encumbered assets of the estate, meaning that certain obligations secured by liens on the estate properties must be satisfied before revenues from their sale could be used to make distributions to beneficiaries.
- C. Council Member Nelsen’s spouse, Paul Nelsen (Norma Nelsen’s son), is one of five residuary beneficiaries under the will and would be entitled to a distribution of a percentage of anything that remains in the estate, including the estate properties (or revenues generated by their sale), after certain other assets are distributed to other beneficiaries, and after satisfaction of all estate obligations.
- D. It is currently unclear whether the revenues from the sale of the estate properties (and other estate assets) would be sufficient to fully satisfy the estate’s obligations so as to allow the estate to make distributions to beneficiaries. These issues are unlikely to be resolved for at least several months.

- E. Based on the facts set forth above, Council Member Nelsen has a potential indirect financial interest in the estate properties but such interest is not a voluntary interest because (1) neither Council Member Nelsen nor her spouse would make the decisions on behalf of the estate whether to sell the estate properties and if so, at what price; (2) Council Member Nelsen cannot unilaterally disclaim her interest in the estate properties as she is not the named beneficiary in the will; and (3) the City Council, itself and through the Task Force, independently identified Block 25 as the preferred location for the new city hall after considering numerous other potential locations and without any involvement of Council Member Nelsen, her spouse, or anyone working on their behalf.
- F. Due to Council Member Nelsen's involuntary potential indirect interest in the estate properties, under Charter Section 9.02, Council Member Nelsen is not authorized to vote or otherwise participate in any action the City Council may take in furtherance of entering into a contract to acquire the estate properties.
- G. Council Member Nelsen has to-date satisfied the requirements of Section 9.02 of the charter in all respects by disclosing her potential indirect interest in the estate properties and abstaining from participation and voting on city hall site selection matters at all times when Block 25 was under consideration.
- H. Minn. Stat. § 471.87 does not prohibit the City from entering into a contract for the purchase of the estate properties because Council Member Nelsen's potential indirect interest therein is not voluntary.
- I. The acquisition of the non-City owned parcels on Block 25, including the estate properties, is reasonably necessary or convenient, in furtherance of a proper public use and public purpose, that public use and public purpose being the construction of a new city hall thereon.

BE IT FURTHER RESOLVED by the City Council of the City of Willmar that:

1. City staff and its agents are hereby authorized and directed to negotiate with the owners of the non-City owned parcels on Block 25 for the City's purchase thereof, and to take such additional actions as are necessary or convenient in furtherance of the City's acquisition thereof, including commissioning appraisal(s) of said parcels and performing any other investigations of the site conditions, encumbrances on title, or other relevant parcel-specific information, and, if negotiations are unsuccessful, to make such preparations as are necessary or convenient in furtherance of the City's acquisition of said parcels through eminent domain, all subject to final approval of this City Council of any agreement for the purchase of such parcels, or any of them, or any action to acquire the same through eminent domain.
2. Pursuant to Section 4.02, subdivision 8 of the City's Charter, the Planning Commission is hereby requested to review and approve the City's acquisition of the non-City owned parcels on Block 25.
3. City staff are hereby authorized and directed to solicit proposals for professional design and construction management services for the new city hall project, subject to final approval of this City Council of any professional services agreements for the new city hall project.

Adopted by the City Council of the City of Willmar on May 6, 2019.

Approved:

s/s Marv Calvin

Mayor

Attested:

s/s Judy Thompson

City Clerk